

**Appendix B-4-b:**

- CMS acknowledges the state did not amend/open appendix B of the waiver application. CMS is reviewing the waiver on the basis of eligibility and would like the state to consider making revisions now or at another time when this section of the waiver application is opened. Under the section "Other specified groups" box in Appendix B-4-b, the state lists "All other mandatory and optional eligibility groups as specified in the Maryland Medicaid State Plan that meet the waiver targeting criteria". The state should list the specific covered groups by name and citation, rather than referring back to the state plan. Please make the changes as requested or inform CMS the state intends to amend in the future.

**MD Response:**

As per discussed with CMS, the State noted this statement in the waiver during the renewal process as per guidance from CMS. We understand there has been a change at CMS in direction for this topic. The State has elected to make revisions to the eligibility section at a later time.

**Appendix C: Individual and Family Directed Goods and Services:**

- New services cannot have a retro effective date of July 1, 2019 per 42 CFR 441.304(d)(1). New services are a substantive change.
- All therapeutic interventions that include art, music, dance and hippo therapy (horseback riding), and therapeutic swimming will need to be removed from Individual and Family Directed Goods and Services and placed under a separate service with its own service definition and parameters. This will meet the standards outlined in service taxonomies.

**MD Response:**

As per CMS's email dated October 16, 2019 that noted therapeutic interventions services should not have been previously approved by CMS under Individual and Family Directed Goods and Services (IFDGS), the State will remove all therapeutic interventions from IFDGS.

The DDA will send out a memo and guidance to self-directing participants indicating that, effective December 1, 2019, cost savings from a self-directed budget can no longer be used to purchase or pay for *Waiver funded IFDGS therapeutic services*, including art, music, dance, hippo therapy (i.e. horseback riding), and therapeutic swimming.

The DDA will support the *use of the State General Funds* share for self-directing participants who show a budget cost savings and who wish to purchase therapeutic services. The DDA will not submit a request for the matching federal financial participation funds (FFP) used towards these therapeutic services.

In addition the following language will be edited or deleted from Appendix A:

- Edited under Purpose: *The purpose of this amendment is to: (2) To expand Individuals and Family Directed Goods and Services to ~~include therapeutic interventions to maintain or improve function including art, music, and dance therapies~~ other goods and services that meet the service requirements in Appendix C;*
- Deleted from Attachment #1: Transition Plan: *“~~Beginning July 1, 2019, participants self-directing services will be able to request the new Individuals and Family Directed Goods and Services options (i.e. therapeutic interventions to maintain or improve function including art, music, dance therapies) as per the service requirements outlined in Appendix C, regulations, and policies.~~”*
- Edited under Public Input: *Eight comments related to Individual and Family Directed Goods and Services. The DDA accepted recommendations to add language expand services, including Music Therapy. However after review by CMS, the State was advised therapeutic interventions services under IFDGS should not have been previously approved by CMS. Recommendations to fund activity fees, “noncredit” courses and those not funded through DORS were not accepted. Participants can use their personal funds or explore Participant Education, Training and Advocacy Support for such opportunities. Recommendation to offer this service under the traditional service model was not accepted. The DDA explained this service is limited to waivers that allow Budget Authority participant direction options. Recommendation that therapies should be under Category 11: Other Health and Therapeutic Services. The DDA explained medically necessary therapies recommended by clinicians are covered under Medicaid. Comment that participants should not be capped or have to find savings to access was not accepted, as services are purchased from the participant-directed budget savings.*

## **Appendix E Participant Direction of Services**

- **Appendix E-2-b-ii Participant-Directed Budget**
  - Please provide additional detail regarding when the method provides that the budget may vary based on additional factors, the factors that are used and how they affect the budget?

MD Response:

Please provide additional information as we did not include any language that the budget may vary based on additional factors.

Appendix E-2-b-ii Participant-Directed Budget currently notes:

*A participant's self-directed budget will be determined annually through a person-centered planning process and demonstrated assessed need . The participant's self-directed budget will encompass all services in their plan PCP and will be presented as part of the person-centered planning process.*

*The DDA will use the following approach for determining a participant's self-directed budget:*

- 1. The Coordinator of Community Services (CCS) and team will assess the needs of the participant through a person-centered planning process;*
- 2. The CCS and Team will develop a Person-Centered Plan to meet those needs and service request (expressed in service units and cost reimbursement services); and*
- 3. A dollar value will be assigned to the plan PCP using payment rates from the Traditional Services delivery model. The person can then determine pay rates based on reasonable and customary program standards.*

*Information regarding the budget methodology for participant-directed budgets will be made available to the public via the federally approved waiver application, regulations, and a new self-directed services manual. The new manual is anticipated to be released in the spring summer of 2019.*

*There has been a delay in finalization of the manual. The date will be updated to reflect February 2020 or sooner.*

### **Appendix I-2a Rate Determination Methods**

The State amended Appendix I-2a to describe its rate-setting methods for new services added to support the transition to fee-for-service. The entities contracted to develop and validate these rates did so based on standard cost components for social and medical service rates. Rate methodologies for most existing rates remained as approved in the previous amendment. The State documents a 12 percent rate increase to Respite Care Services for administrative expenses associated with daily respite provided at licensed sites, although it is unclear how the State derived and applied this rate increase.

- Update Appendix I-2a to describe how the State or rate vendor calculated the Respite Care Services daily rate increase of 12 percent for administrative costs at licensed sites.

**MD Response:**

Language was updated to reflect: For WYs 2-5, the Respite daily rate is based on the hourly rate with an assumption of 16 hours of service with a 12% G&A to address increased administrative cost associated with the new billing system.

## Appendix I Financial Accountability

- **Appendix I-3d**

- Indicates State or local government providers receive payment for waiver services. Some local health departments provide respite care services due to a lack of qualified providers in their area to meet the needs of the participants receiving these services. Please describe how the activities do not duplicate the ones reflected in the Cost Allocation Plan.

MD Response:

No federal claims are submitted for these services.

## Appendix J-2c Derivation of Estimates for Each Factor

The State updated estimates for various services. For Personal Supports, Appendix J-2c-i describes the basis for the State's users and cost-per-unit estimates but does not document the basis or trend for annual units-per-user estimates for this service.

Generally, the State bases its units estimate for WYs 1 through 5 on 372 reports from 2013 through 2016 or on historical waiver utilization data from 2017. This estimate increases by nearly a third, to 4902 units on average annually, between WY 2 and WY 3.

- The units-per-user estimate for Personal Supports increases by nearly a third, to 4902 units annually, in WY 3. Update Appendix J-2c-i to describe this increase and to document the source for this deviation from the trend in WYs 1 and 2.

MD Response:

Language was updated to note: Without historic service utilization data for this population, Personal Supports units per user for WYs 1-2 were based on 75% of average units per user for Community Pathways Waiver. For WYs 3-5, Personal Supports units per user were updated to align with the Community Pathways Waiver average service utilization.

For Career Exploration, the State indicates that estimates for this service are based on estimates for the sunsetting Supported Employment service. It is unclear how the State adapts estimates for Supported Employment for Career Exploration; further, the State does not describe the shift in unit for Career Exploration from daily to hourly, or the effects on the associated estimates, beginning in WY 4.

- The unit label and units-per-user estimates for Career Exploration changes in Appendix J-2d without explanation between WYs 3 and 4. Update Appendix J-2c-i to describe the increase in units-per-user and decrease in cost-per-unit associated with the change in unit labels, as well as how the State adapted these estimates from the terminating Supported Employment service.

MD Response:

Language was updated to note: Without historic service utilization for Career Exploration, units per user will be based on Supported Employment service utilization as individuals will transition into this service. The cost per unit for WYs 4-5 is from the rate study which is stated in Appendix J.

## **Appendix J, Factor D Derivation**

Please provide explanation and the reason of the increase in estimates for the following:

- Estimates to increase by 50% in Waiver Years 2-5 and only until WY3 for Employment Discovery & Customization.
- The users of Individual and Family Directed Goods and Services are estimated to increase by 50% in Waiver Years 2-5.
- Respite Care Services Camp Hour is \$1038.00. Please explain why the average cost per hour is high. Is this a typo

MD Response:

Employment Discovery & Customization ends after WY3.

Appendix J states, "Individual and Family Directed Goods and Services estimated users for Waiver Years 1-5 are based on 1.3% of self-directing participants from the FY16 Community Pathways Waiver CMS 372 with a 15% CAGR applied annually to the SDS population." So, it's based on historical increases.

Respite Care Services Camp is usually a week of services so would cost more than daily Respite.

## **General QIS:**

The State modified its performance measures in QIS Appendix C sub-assurances b and c to assess compliance of "certified" waiver providers with waiver standards and training; previously, the State assessed compliance of "non-licensed or non-certified" waiver providers. The State should confirm that only certified providers may furnish waiver services.

MD Response:

Both licensed and certified providers may furnish Community Pathways Waiver services. Performance measure #1 and #2 is related to licensed providers and measures #3 and #4 are related to certified providers.

**CMS Response:**

- Why are estimates to increase by 50% in Waiver Years 2-5 and only until WY3 for Employment Discovery & Customization?
- Please describe what the factors are to build in the 15% CAGR per year

**MD Response:**

*Please ignore the initial response as it is referencing the Community Pathways Waiver.*

*Appendix J states: "As there is no historic data from the FY15 CMS 372, the estimated users of Individual and Family Directed Goods and Services are based on utilization of service in FY16, which is about .5% of total number of waiver users as estimated in Appendix B-3 for Waiver Year 1. The users of Individual and Family Directed Goods and Services are estimated to increase by 50% in Waiver Years 2-5."*

*At the time the Community Support Waiver was written, there was no historical service utilization data for this service, so we estimated utilization. Based on current utilization of this service, there is not a need to update this estimate.*

*For Employment Discovery & Customization, at the time the Community Support Waiver was written, there was no historical service utilization data for this service, so we estimated utilization. Based on current utilization of this service, there is not a need to update this estimate. The service ends after WY3 and the Appendix was updated to reflect this information.*